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AGENDA FOR TASK FORCE ON EARLY RETIREMENT

PROBLEM: Develop an Early Retirement Program for CIA.

I. Definition of Terms:

A. For our purposes, an "early retirement program" would be one to provide means for the Director to separate certain employees at age 50 with annuities which would be comparable to those offered by the Foreign Service, the military services and the investigative services of the Federal Government.

B. Other.

II. What Purposes Would an Early Retirement Program Serve for CIA?

A. It would make it possible to retire earlier employees whose careers have involved the conduct or direct support of clandestine operations and thus maintain a lower average age among this group of employees.

B. It would provide a special benefit to those employees who have experienced the inconvenience, restrictions, strain and risks which are inherent in the conduct or direct support of clandestine operations.

C. Other.

III. Facts Which are Pertinent to the Consideration of this Problem.

A. The retirement programs of the Foreign Service, the military services and the investigative services of the Federal Government provide greater benefits than those which are available to Agency employees through the Civil Service Retirement system (see Tab A).

B. The Agency has presented early retirement proposals for consideration by the Civil Service Commission, the Bureau of the Budget and the White House (see Tab B).

C. The Agency has obtained approval of the Executive Branch and the concurrence of appropriate congressional committees for specific administrative procedures by which the Director may separate personnel who become surplus to Agency needs through no fault of their own and to pay separation compensation to these individuals under certain circumstances (see Tab C).

D. Other Federal agencies have requested legislation to provide for the early retirement of certain personnel (see Tab D).

IV. Assumptions:

A. The need for an early retirement program is well established within the Agency. This task force will prepare specific proposals and develop statements which will serve best to justify them to appropriate elements outside the Agency.

B. The Agency will continue to separate employees as appropriate under the provisions of [redacted] (see Tab F).

C. The provisions of [redacted] and the Civil Service Retirement system will provide equitable benefits to employees who must be separated through no fault of their own but who do not meet the eligibility requirements for early retirement.

D. Congress will liberalize the benefits of the Civil Service Retirement system within the next 5 years so as to permit retirement on full annuity at age 55 with 30 years of service. Senate Bill No. 188 which is before the Congress contains such provisions (see Tab E). When this change is made, the Agency will expect employees to retire when they attain such eligibility.

E. The Agency will continue the policy of retaining an individual who comes within 2 years of eligibility for retirement on full annuity and whose services can be used until he attains such eligibility.

F. The presentation of any proposal for early retirement legislation for CIA must take account of previous proposals which the Agency has presented and of established procedures for the separation of surplus personnel.

F. Other.

V. Analysis:

A. Q. Who are the Agency employees who should be covered by an early retirement program?

A. The group covered should be those who are engaged in the conduct and direct support of clandestine operations and who meet certain additional requirements as to age and length of service.

B. Q. How will we identify the group of employees engaged in the conduct and direct support of clandestine operations?

A. Completion of 5 years' Agency service overseas will identify an individual as a member of this basic group. The factor of overseas service will serve adequately within the Agency to identify the group of employees who merit early retirement consideration. A criterion of 5 years of such service is sufficient to sharpen this identification without placing undue emphasis on the importance of overseas service as such. To require longer periods of such service would increase the pressures to have some overseas assignments arranged for the sole purpose of establishing eligibility for early retirement.

C. Q. Why is an early retirement program necessary for this group of employees?

A. The following factors which are generally inherent in their work combine in various ways to accelerate the loss of vitality which ordinarily accompanies old age. These factors are:

fulness to the Agency and to entitle them to receive extra benefits when they retire.

1. Especially demanding work requirements which frequently lead to physical and mental exhaustion.
2. Various degrees of hazardous duty.
3. The unusual significance of physical impairments in relation to inability to meet work demands.
4. Unhealthful inconvenience or otherwise undesirable living conditions.
5. Security limitations on freedom of expression and action including subjection to continuous scrutiny and some degree of the invasion of personal privacy.
6. Cover restrictions which impinge on normal living habits and require some degree of continuous conscious attention.
7. Susceptibility to unknowingly becoming a direct target for activities by the opposition.
8. Susceptibility to immediate attack or seizure in the event of war or civil disturbance.
9. Limited opportunity to exercise choice concerning the location and nature of duty due to policy of assignments by direction.
10. Frequent job rotation requiring repeated adjustments to various job requirements and to changes in the area of close personal work relationships.
11. The need for the Agency to maintain an unusually flexible work force due to its inability to forecast accurately the specifics of its long-range personnel requirements.

12. Difficulty in converting to other employment because of the specialized nature of official work activities, security restrictions on divulging work information, and the general reluctance of both government and industrial employers to hire former Agency personnel.

13. Other.

D. Q. Should employees be expected to retire when they meet specific eligibility criteria?

A. Yes. All employees will retire when they meet the eligibility criteria except those who request to remain and receive the DCI's approval to do so. It is presumed that the DCI may also ask a few key employees to remain for indefinite service after age 50 (such extensions should probably be approved on a 2-year renewal basis). All employees who meet the eligibility criteria will become entitled to receive the special annuity (based on 2% computation) regardless of when they retire.

E. Q. Should the benefit of this special annuity be extended to employees who do not meet minimum eligibility criteria?

A. No. Early retirement is a device to provide special benefits to employees who have performed distinctive duties and whose early separation is contemplated in the interest of the Agency. Such special benefits should not be extended to other individuals who must be separated and have not earned them by the nature of their Agency service. It is important to establish a clear line of eligibility for early retirement.

F. Q. What specific criteria should be established to determine eligibility for early retirement?

A. There is general agreement within the Agency that 50 years of age and 20 years of Federal service are appropriate minimum requirements for

early retirement. However, various other criteria have been suggested to define the amounts of Agency service and overseas service which should be established as additional eligibility requirements. The amount of Agency service so proposed has ranged from 5 to 20 years in 5 year increments. Requirements of either 5 or 10 years overseas service have been proposed with the additional stipulation that in some cases at least 5 years of such service be with this Agency. Tab G presents various combinations of these criteria which merit consideration.

VI. What specific legislation should the Agency request as the essential legal basis for an early retirement program?

VII. What statement of justification should the Agency present to support such proposed legislation?

VIII. What priority should the Agency follow in obtaining support for this early retirement legislation from appropriate elements outside the Agency?

IX. Are there any particular aspects of justification which bear a significant or unusual relationship to the peculiar interests of any of these individual elements?